



General Assembly

January Session, 2013

Raised Bill No. 1025

LCO No. 3780



Referred to Committee on HUMAN SERVICES

Introduced by:
(HS)

***AN ACT CONCERNING ADVANCE PAYMENTS TO NURSING
FACILITIES FOR UNCOMPENSATED CARE.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 17b-340c of the general statutes is amended by
2 adding subsection (c) as follows (*Effective July 1, 2013*):

3 (NEW) (c) Notwithstanding the provisions of subsections (a) and (b)
4 of this section, the Commissioner of Social Services shall make an
5 advance payment to a nursing facility, upon any such facility's request
6 made not later than January 1, 2014, whenever the facility is providing
7 uncompensated services to one or more residents (1) whose
8 application for long-term medical assistance has been pending for
9 more than ninety days, or (2) when payment has not been made to the
10 facility within thirty days after the date such application has been
11 approved. Any such advance payment shall not exceed fifty per cent of
12 the estimated amount due. Not later than thirty days after any such
13 application is granted and payment has been made to the facility, or
14 after any such application has been denied, the commissioner shall
15 recover advance payments made pursuant to this subsection by

16 reducing any payments due to the facility.

17 Sec. 2. Section 17b-320 of the general statutes is repealed and the
18 following is substituted in lieu thereof (*Effective July 1, 2013*):

19 (a) For purposes of this section and section 17b-321:

20 (1) "Commissioner" means the Commissioner of Revenue Services;

21 (2) "Department" means the Department of Revenue Services;

22 (3) "Nursing home" means any licensed chronic and convalescent
23 nursing home or a rest home with nursing supervision, but does not
24 include, upon approval of the waiver of federal requirements for
25 uniform and broad-based user fees in accordance with 42 CFR 433.68,
26 pursuant to section 17b-323, any nursing home that is owned and
27 operated as of May 1, 2005, by the legal entity that is registered as a
28 continuing care facility with the Department of Social Services in
29 accordance with section 17b-521, regardless of whether such nursing
30 home participates in the Medicaid program and any nursing home
31 licensed after May 1, 2005, that is owned and operated by the legal
32 entity that is registered as a continuing care facility with the
33 Department of Social Services in accordance with section 17b-521;

34 (4) "Medicare day" means a day of nursing home care service
35 provided to an individual who is eligible for payment, in full or with a
36 coinsurance requirement, under the federal Medicare program,
37 including fee for service and managed care coverage;

38 (5) "Resident day" means a day of nursing home care service
39 provided to an individual and includes the day a resident is admitted
40 and any day for which the nursing home is eligible for payment for
41 reserving a resident's bed due to hospitalization or temporary leave
42 and for the date of death. For purposes of this subdivision, a day of
43 nursing home care service shall be the period of time between the
44 census-taking hour in a nursing home on two successive calendar

45 days. "Resident day" does not include a Medicare day or the day a
46 resident is discharged;

47 (6) "Nursing home net revenue" means amounts billed by a nursing
48 home for all room, board and ancillary services, minus (A) contractual
49 allowances, (B) payer discounts, (C) charity care, and (D) bad debts;
50 and

51 (7) "Contractual allowances" means the amount of discounts
52 allowed by a nursing home to certain payers from amounts billed for
53 room, board and ancillary services.

54 (b) (1) (A) For each calendar quarter commencing on or after July 1,
55 2005, there is hereby imposed a resident day user fee on each nursing
56 home in this state, which fee shall be the product of the nursing home's
57 total resident days during the calendar quarter multiplied by the user
58 fee, as determined by the Commissioner of Social Services pursuant to
59 subsection (a) of section 17b-321.

60 (B) Commencing with the calendar quarter in which approval of the
61 waiver of federal requirements for uniform and broad-based user fees
62 in accordance with 42 CFR 433.68 pursuant to section 17b-323 is
63 granted, the resident day user fee shall be the product of the nursing
64 home's total resident days during the calendar quarter multiplied by
65 the user fee, as redetermined by the Commissioner of Social Services
66 pursuant to subsection (b) of section 17b-321.

67 (2) Each nursing home shall, on or before the last day of January,
68 April, July, and October of each year, render to the commissioner a
69 return, on forms prescribed or furnished by the commissioner, stating
70 the nursing home's total resident days during the calendar quarter
71 ending on the last day of the preceding month and stating such other
72 information as the commissioner deems necessary for the proper
73 administration of this section. The resident day user fee imposed
74 under this section shall be due and payable on the due date of such
75 return, except that no such resident day user fee shall be due and

76 payable if a nursing home is providing uncompensated services to one
77 or more residents (A) whose application for long-term medical
78 assistance has been pending for more than ninety days, or (B) when
79 payment has not been made to the facility within thirty days from the
80 date such application was approved. Each nursing home shall be
81 required to file such return electronically with the department and to
82 make such payment by electronic funds transfer in the manner
83 provided by chapter 228g, irrespective of whether the nursing home
84 would have otherwise been required to file such return electronically
85 or to make such payment by electronic funds transfer under the
86 provisions of said chapter 228g. Notwithstanding the provisions of this
87 subdivision, the annual payment due date for the nursing home
88 resident day user fee due and payable on or before (i) the last day of
89 each January shall be extended to February fifteenth; (ii) the last day of
90 each April shall be extended to May fifteenth; (iii) the last day of each
91 July shall be extended to August fifteenth; and (iv) the last day of each
92 October shall be extended to November fifteenth.

93 (c) Whenever such resident day user fee is not paid when due, a
94 penalty of ten per cent of the amount due or fifty dollars, whichever is
95 greater, shall be imposed, and interest at the rate of one per cent per
96 month or fraction thereof shall accrue on such user fee from the due
97 date of such user fee until the date of payment.

98 (d) The commissioner shall notify the Commissioner of Social
99 Services of any amount delinquent under sections 17b-320 to 17b-323,
100 inclusive, and, upon receipt of such notice, the Commissioner of Social
101 Services shall deduct and withhold such amount from amounts
102 otherwise payable by the Department of Social Services to the
103 delinquent nursing home, except that no such deduction or
104 withholding shall be made if a nursing home is providing
105 uncompensated services to one or more residents (1) whose
106 application for long-term care medical assistance has been pending for
107 more than ninety days, or (2) when payment has not been made to the
108 facility within thirty days from the date such application has been

109 approved.

110 (e) The provisions of section 12-548, sections 12-550 to 12-554,
111 inclusive, and section 12-555a shall apply to the provisions of this
112 section in the same manner and with the same force and effect as if the
113 language of said sections had been incorporated in full into this section
114 and had expressly referred to the user fee imposed under this section,
115 except to the extent that any provision is inconsistent with a provision
116 in this section. For purposes of section 12-39g, the resident day user fee
117 shall be treated as a tax.

118 (f) The commissioner may enter into an agreement with the
119 Commissioner of Social Services delegating to the Commissioner of
120 Social Services the authority to examine the records and returns of any
121 nursing home subject to the resident day user fee imposed under this
122 section and to determine whether such user fee has been underpaid or
123 overpaid. If such authority is so delegated, examinations of such
124 records and returns by the Department of Social Services and
125 determinations by said department that such user fee has been
126 underpaid or overpaid, shall have the same effect as similar
127 examinations or determinations made by the Department of Revenue
128 Services.

129 (g) (1) The commissioner shall not collect the resident day user fee
130 pursuant to this section until the Commissioner of Social Services
131 informs the commissioner that all the necessary federal approvals are
132 in effect to secure federal financial participation matching funds
133 associated with the rate increases as described in subdivision (4) of
134 subsection (f) of section 17b-340.

135 (2) The commissioner shall cease to collect the resident day user fee
136 pursuant to this section if the Commissioner of Social Services informs
137 the commissioner that the federal approvals described in subdivision
138 (1) of this subsection are withheld or withdrawn.

139 Sec. 3. (NEW) (*Effective July 1, 2013*) The Commissioner of Social

140 Services shall reimburse a nursing facility in an amount up to the
141 market rate interest incurred whenever (1) the facility is providing
142 uncompensated services to residents whose application for long-term
143 care medical assistance has been pending for more than ninety days,
144 (2) the Department of Social Services is unable or fails to make
145 payments owed to the facility for services rendered at scheduled times,
146 and (3) the nursing facility has borrowed from a lender to provide such
147 services to the resident or to cover the untimely payments.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2013</i>	17b-340c
Sec. 2	<i>July 1, 2013</i>	17b-320
Sec. 3	<i>July 1, 2013</i>	New section

Statement of Purpose:

To ease the financial burden on nursing homes which provide uncompensated care to applicants for long-term medical assistance.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]